

Innovations Are Driver of Companies Developing

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Abstract:

In the period of high integration processes most companies and sectors of the economy meet with financial difficulties. In these positions managers of companies have to decide to maintain and develop companies activity. This article explains the importance of managing innovations and innovation capabilities on developing companies.

Key words: Innovation, development, business, innovation management, competitiveness, resources, driver of development, factor.

INTRODUCTION

The XXI century is a period of rapid development of science and technology. Innovation in all sectors of the economy, the introduction of new techniques and technologies, the integration of international trade have led to a strong competitive environment among producers. Innovations have become one of the key factors in ensuring the competitiveness of enterprises in a strong competitive environment in a market economy, the development of the enterprise and the study of consumer needs. [1]

The fact that the world's population will exceed 7.8 billion by 2020 and 9.9 billion by 2050 is one of the most pressing issues in ensuring food security. The fact that the total population of the country reached 35 million people by September 2021 shows the importance of effective management of innovative potential in the food industry in the production of import-substituting, export-oriented, high-quality, low-cost food products.

Entrepreneurial entities and their competitiveness are important factors in the comprehensive development of the national economy. The level of competitiveness of enterprises will increase through the widespread introduction of innovations in the activities of enterprises and the effective management of the innovative potential of the connection. Management of innovative potential of enterprises includes such stages as the organization, distribution and coordination of innovative activities of the enterprise. In the formation of the structure of innovation capacity management determines the type of structure, the composition and functions of the governing body, the distribution of powers among senior executives of the enterprise, the order of its implementation, organizational implementation, information support of innovation capacity management bodies.

Innovations allow industries and sectors, enterprises and organizations to effectively achieve their goals as a driver of development. In today's era of globalization, deep penetration into integration processes, and in order to be competitive in a highly competitive environment, food industry enterprises need to innovate and increase their innovation potential through implementation.

As a result of measures taken in recent years, the export of agricultural products will double in 2019 compared to 2017, more than 10 million tons of vegetables per year, more than 17 million tons of other agricultural products and 2.5 million tons of agricultural products. tons of meat. As a result of the processing of these products, the development of innovative activities in the activities of food industry enterprises is the most effective in increasing the production capacity of import-substituting, export-oriented food products.

In the long run, the effective operation of enterprises, ensuring high rates of development and increasing their competitiveness are determined by their innovative potential. Innovation is an important tool for ensuring the sustainability of economic activity, economic growth and competitiveness. There is a strong link between an enterprise's competitiveness and its innovative potential.

During the period of rapid development of science and technology in the world, it has become a requirement of the time to widely introduce innovations in the stages of production in order to expand and develop the activities of existing businesses in the economy. From this point of view, when innovations are initially viewed by consumers, it is the result of the emergence of a new type of product or service, improved product quality, increased consumer preferences, the addition of a new product range, stabilization of product prices. On the other hand, from the point of view of manufacturing enterprises, innovations and changes in the stages of the production process are described as

innovations in order to be competitive among similar competitors in the open market, increase market share, maximize profits. Innovation is a global engine of economic growth and at the same time a key factor in competitiveness. [2]

Innovation is the key to sustainable revenue growth. By introducing innovations, companies can update their products, improve their customer experience, and differentiate themselves from competitors.[3] Therefore, we can say that innovation has become today's driver of enterprise development.

If we look at the activities of global corporations that are achieving sustainable economic growth, we see that all of them are constantly introducing innovations in their production activities. According to the Global Innovation Survey 2020 of the Boston Consulting Group, one of the world's leading agencies, the corporations that have implemented the most innovations in 2020 have a rating of 50, including Apple, Alphabet, Amazon, Microsoft, Samsung, Huawei, Alibaba, IBM, Sony, We can see Facebook, Tesla, Coca Cola, McDonald's and others. [4] Following the activities of these companies, innovation seems to be a key factor in attracting new customers, understanding their wishes and desires, evaluating business ideas and opportunities, and accelerating the development process.

Innovations are used by enterprises at different stages of production. In particular, the new product is being introduced in manufacturing, production processes, sales and marketing, customer service, delivery, management and other areas. In this regard, innovation as a broad economic term is interpreted differently based on the research results of different economists and researchers. For this reason, there is no single generally accepted definition of the term innovation to date. Scientists interpret it based on the direction and specificity of their research.

The scientist who first introduced the term innovation to science and expressed its content is the Austrian scientist J. Schumpeter. In his Theory of Economic Development, he focuses on innovation as a key factor in the development of societies and enterprises. According to Schumpeter, entrepreneurship is manifested in something new, a new idea, method, or device, expressing a relationship with innovation. Innovation is the economic key to the development of any company, country or region. As a result of the introduction of innovations, when technology changes, the old manufacturing industries are reduced and renewed. [5]

According to Toker Marion's theoretical view, the term innovation describes the value created in an enterprise as a driving force based on the principles of faster, better, cheaper than products. Depending on the stage of application of the innovation, it is divided into three stages: product innovation, process innovation and business model innovation. [6]

Innovation plays a key role in forecasting market demand, providing additional quality or additional services, and managing efficiency. [7] Therefore, it can be said that innovation is expressed in a broad sense of reality and effort. Innovations reflect the continuum of technical, economic, environmental, social and political changes.

The implementation of innovations in industrial enterprises depends on the innovative potential of enterprises. Therefore, it is necessary to study the concept of innovative potential of industrial enterprises. In many cases, the authors focus on the analysis of individual aspects of the innovative potential of enterprises. Researchers have rated the innovative potential of enterprises based on the socio-economic situation in the region. In particular, several scientists, led by Gunin and Barnacheev, cite innovation potential as a measure of a company's readiness to perform tasks that ensure the achievement of goals.

According to the theory of Helena Danilina and ZhannaMingaleva, the innovative potential of industrial enterprises is a set of components that represent the ability to create and apply innovations, the human element, material and technical element, information element, organizational element, financial element, efficiency element, management element, legal element the social element consists of components such as the element of creativity. [8]

CONCLUSION

Analyzing the opinions and feedback of the researchers, we came to the following conclusions.

The innovative potential of the enterprise is the ability of the enterprise to master and implement scientific innovations used to increase efficiency in the stages of the production chain.

The concept of innovation potential is part of the economic potential, which in terms of coverage represents the ability of enterprises and society, industry, region or state to conduct innovative activities. Innovative potential is an economic term, a set of opportunities that reflect some innovation and change in the activities of industrial enterprises at the stages of production, packaging, supply, marketing or production of products. Therefore, the innovative potential of enterprises and its effective management in the development of industrial enterprises is one of the most important issues facing the company's management today.

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